

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 1988-421-S - ORDER NO. 2009-217

APRIL 9, 2009

IN RE: Application of General Systems Corporation	)	ORDER APPROVING
for Approval of a Fee for the Operation of Its	)	TRANSFER OF
Sidney Road Lift Station, Lexington County,	)	CERTIFICATE OF
South Carolina	)	PUBLIC CONVENIENCE
	)	AND NECESSITY

This matter comes before the Public Service Commission of South Carolina (“Commission”) on an Application filed by General Systems Corporation (“General Systems”) seeking to transfer its Certificate of Public Convenience and Necessity (“CPCN”) for the operation of its Sidney Road Lift Station in Lexington County, South Carolina (“General Systems Lift Station”) along with the customers that it served to Alpine Utilities, Inc. (“Alpine”). The General Systems Lift Station provided wastewater transportation service to customers in Stratton Place Subdivision (“Stratton Place”) and the Brian Center Nursing Home (“Brian Center”) and delivered the wastewater to Alpine for treatment. Notice of this matter was published in *The State* newspaper on January 29, 2009, but no interested parties have intervened.

Commission Order No. 89-168 (February 21, 1989) granted General Systems a CPCN to provide adequate wastewater transportation services to its customers in Stratton Place and Brian Center through the operation of the General Systems Lift Station. The customers residing in Stratton Place and Brian Center continued to obtain wastewater

treatment services from Alpine, and the Commission instructed General Systems that it was to be responsible for billing the customers in Stratton Place and the Brian Center for the rate charged by Alpine to those customers. General Systems then remitted to Alpine its portion of the amount collected for the wastewater treatment service.

Alpine has since obtained the use of a lift station ("Alpine Lift Station") which has the capacity to directly serve the customers residing in Stratton Place and Brian Center. In furtherance of providing reliable wastewater transportation services, General Systems diverted flow from the General Systems Lift Station to the Alpine Lift Station and is currently utilizing the Alpine Lift Station to transport wastewater from Stratton Place and Brian Center to the Alpine wastewater treatment plant.

In order to consolidate its operations and promote economies of scale, General Systems and Alpine have negotiated an agreement ("the Agreement") whereby Alpine will acquire the CPCN presently held by General Systems in Lexington County. A copy of the Agreement is attached to this Order as Order Exhibit "A."

Under the Agreement, all of General Systems' wastewater transportation customers will become consolidated customers of Alpine, and General Systems will no longer have an authorized service territory in Lexington County. General Systems' wastewater transportation customers in Lexington County will be charged for consolidated sewer services in accordance with Alpine's current rate schedule which was approved by the Commission by Order No. 2008-759 (November 6, 2008) in Docket No. 2008-190-S. The combined rate currently charged to the customers of General Systems and Alpine (for separate wastewater transportation and wastewater treatment services) is

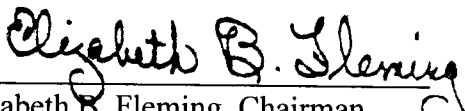
the same as the current effective rate for consolidated sewer service customers of Alpine; therefore, there will be no impact on the total rates charged to customers of General Systems.

We find that the proposed transfer is in the public interest. As noted, Alpine currently provides wastewater collection, transportation, and treatment services to portions of Richland and Lexington Counties. General Systems' customers in Stratton Place and Brian Center will not experience any disruption in sewer service and will receive consolidated wastewater transportation and treatment services from Alpine, uniting the divided services currently provided by two separate entities. Additionally, charges to General Systems customers will be simplified inasmuch as Alpine will charge one rate which integrates both wastewater transportation and treatment services. Since the transfer will not affect customers, we find that the Commission may determine this matter without the need for a hearing. S.C. Code Ann. 58-5-240(G) (Supp. 2008).

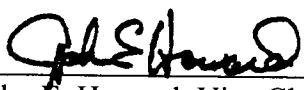
Therefore, General Systems' request seeking to transfer its Certificate of Public Convenience and Necessity ("CPCN") for the operation of its Sidney Road Lift Station in Lexington County, South Carolina ("General Systems Lift Station") along with the customers that it served to Alpine Utilities, Inc. is approved.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

  
Elizabeth B. Fleming, Chairman

ATTEST:

  
John E. Howard, Vice Chairman  
(SEAL)

## Exhibit A

### **AGREEMENT FOR TRANSFER OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO OPERATE LIFT STATION**

THIS AGREEMENT is made and entered into this 12 day of January, 2009 by and between General Systems, Inc. ("General Systems") and Alpine Utilities, Inc. ("Alpine") (collectively the "Parties"). The Parties hereby contract and agree as follows:

#### **WITNESSETH**

WHEREAS, General Systems is a public utility, as defined by S.C. Code Ann. § 58-5-10(4) (Supp. 2007), providing wastewater transportation services to the public for compensation in Lexington County, South Carolina pursuant to rates approved by the Commission in Docket No. 1988-421-S; and

WHEREAS, General Systems presently possesses a Certificate of Public Convenience and Necessity ("Certificate") to provide sewer transportation services to the Stratton Place Subdivision and the Brian Center Nursing Home and to operate and maintain a lift station in Lexington County, South Carolina pursuant to Order No. 89-168, dated February 21, 1989 issued by the Public Service Commission of South Carolina ("Commission") in Docket No. 88-421-S; and

WHEREAS, Alpine is a public utility, as defined by S.C. Code Ann. § 58-5-10(4) (Supp. 2007), providing sewer service to the public for compensation in Richland and Lexington County, South Carolina pursuant to rates approved by the Commission in Docket No. 2008-190-S; and

WHEREAS, Alpine has since obtained the use of a lift station ("Alpine Lift Station") which has the capacity to directly serve the customers residing in Stratton Place and Brian Center; and

WHEREAS, in the furtherance of providing reliable wastewater transportation services, General Systems diverted the flow to the Alpine Lift Station and is currently utilizing the Alpine Lift Station to transport wastewater from Stratton Place and Brian Center to the Alpine wastewater treatment plant; and

WHEREAS, in order to consolidate the services separately provided by each entity, Alpine wishes to acquire, and General Systems wishes to transfer, the right to provide sewer transportation services to the customers of General Systems and to operate and maintain a lift station in Lexington County, South Carolina in accordance with the terms and conditions set forth herein.

NOW THEREFORE, for and in consideration of the mutual promises and covenants in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, General Systems and Alpine hereby agree as follows:

1. TRANSFER OF OPERATING RIGHTS.

Subject to the terms and conditions set forth in this Agreement, General Systems shall transfer and assign to Alpine, for, and in consideration of, the sum of Five and no/100 dollars (\$5.00), the sufficiency of which General Systems acknowledges, all of those rights to provide sewer transportation services to the Stratton Place Subdivision and the Brian Center Nursing Home and to operate a lift station pursuant to the terms of the Certificate granted by the Public Service Commission of South Carolina in Order No. 89-168, dated February 21, 1989, in Docket No. 88-421-S.

2. REGULATORY MATTERS PRIOR TO TRANSFER

The Parties agree that the transaction described in this Agreement is contingent on the approval of jurisdictional agencies, including the Commission.

3. DATE OF TRANSFER

The Parties agree that the transfer of the rights described herein will take place no less than thirty (30) days after approval by the Commission.

4. REPRESENTATIONS AND WARRANTIES OF GENERAL SYSTEMS

As a material inducement of Alpine to enter into and perform its obligations under this Agreement, General Systems hereby represents and warrants as follows:

a. This Agreement will constitute a legal, valid and binding obligation of General Systems and will be enforceable against General Systems in accordance with its terms.

b. General Systems represents and warrants that it owns the right to provide sewer transportation services to the Stratton Place Subdivision and the Brian Center Nursing Home and to operate a lift station in Lexington County, South Carolina and that it has the right to convey the right to provide sewer transportation services and to operate a lift station in Lexington County, South Carolina to Alpine and otherwise perform its obligations under this Agreement.

5. REPRESENTATIONS AND WARRANTIES OF ALPINE

As a material inducement of General Systems to enter into and perform its obligations under this Agreement, Alpine hereby represents and warrants that this Agreement will constitute a legal, valid and binding obligation of Alpine and will be enforceable against Alpine in accordance with its terms.

IN WITNESS WHEREOF, each party has executed this Agreement on the dates set forth below:

ALPINE UTILITIES, INC.

GENERAL SYSTEMS, INC.

Executed: January 8, 2009

Executed: January 12, 2009

By: [Signature]

By: [Signature]

Its: President

Its: President

Witness: Maria Glou

Witness: Donna Hunter